

PLANNING COMMISSION SYNOPSIS

Tuesday, June 7, 2005

6:30 p.m. Regular & General Plan Meeting

Room 202 A/B, Health Building
151 West Mission Street
(Same block as City Hall between Mission and San Pedro Street)
San Jose, California

Bob Levy, Chair Bob Dhillon, Vice-Chair

Xavier Campos Jay James
Dang T. Pham
Christopher Platten James Zito

Stephen M. Haase, Director Planning, Building and Code Enforcement

NOTE

To arrange an accommodation under the Americans with Disabilities Act to participate in this public meeting, we ask that you call (408) 277-4576 (VOICE) or (408) 998-5299 (TTY) at least two business days before the meeting. If you requested such an accommodation and have not already identified yourself to the technician seated at the staff table, please do so now. If you did not call in advance and do now need assistance, please see the technician.

NOTICE TO THE PUBLIC

Good evening, my name is **Bob Levy** and I am the Chair of the Planning Commission. On behalf of the entire Planning Commission, I would like to welcome you to the Planning Commission Public Hearing of *Tuesday*, *June 7*, *2005*. Please remember to turn off your cell phones and pagers.

If you want to address the Commission, fill out a speaker card (located on the table by the door or at the technician's station), and give the completed card to the technician. Please include the agenda item number for reference.

The procedure for this hearing is as follows:

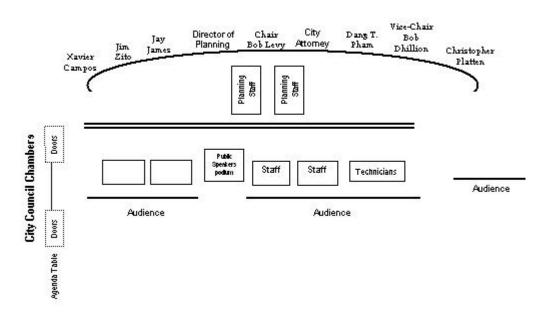
- After the staff report, applicants and appellants may make a 5-minute presentation.
- The chair will call out names on the submitted speaker cards in the order received.
- As your name is called, line up in front of the microphone at the front of the Chamber. Each speaker will have two minutes.
- After the public testimony, the applicant and appellant may make closing remarks for an additional five minutes.
- Planning Commissioners may ask questions of the speakers. These questions will not reduce the speaker's time allowance.
- The public hearing will then be closed and the Planning Commission will take action on the item. The Planning Commission may request staff to respond to the public testimony, ask staff questions, and discuss the item.

If you challenge these land use decisions in court, you may be limited to raising only those issues you or someone else raised at this public hearing or in written correspondence delivered to the City at, or prior to, the public hearing.

The Planning Commission's action on rezoning, prezonings, General Plan Amendments and Code Amendments is advisory only to the City Council. The City Council will hold public hearings on these items. Section 20.120.400 of the Municipal Code provides the procedures for legal protests to the City Council on rezonings and prezonings. The Planning Commission's action on Conditional Use Permit's is appealable to the City Council in accordance with Section 20.100.220 of the Municipal Code. Agendas and a binder of all staff reports have been placed on the table near the door for your convenience.

Note: If you have any agenda questions, please contact Olga Guzman at olga.guzman@sanjoseca.gov

The Planning Commission is a seven member body, appointed by the City Council, which makes recommendations to the City Council regarding the adoption, amendment, or repeal of general or specific plans, and regulation of the future physical land use development, redevelopment, rehabilitation or renewal of the City, including its Capital Improvement Programs. The recommendations to the Council regarding land use development regulations include, but are not limited to, zoning and subdivision recommendations. The Commission may make the ultimate decision on Conditional Use Permits, and acts as an appellate body for those persons dissatisfied with the Planning Director's decisions on land use and development matters. The Commission certifies the adequacy of Environmental Impact Reports.



The San Jose Planning Commission generally meets every 2nd and 4th Wednesday at 6 p.m., unless otherwise noted. The remaining meeting schedule is attached to this agenda and the annual schedule is posted on the web at http://www.sanjoseca.gov/planning/hearings/index.htm Staff reports, etc. are also available on-line. If you have any questions, please direct them to the Planning staff at (408) 277-4576. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

AGENDA ORDER OF BUSINESS

1. ROLL CALL

ALL WERE PRESENT EXCEPT DHILLON, JAMES AND PLATTEN.

2. <u>DEFERRALS</u>

Any item scheduled for hearing this evening for which deferral is being requested will be taken out of order to be heard first on the matter of deferral. A list of staff-recommended deferrals is available on the Press Table. If you want to change any of the deferral dates recommended or speak to the question of deferring these or any other items, you should say so at this time.

3. CONSENT CALENDAR

NOTICE TO THE PUBLIC

The consent calendar items are considered to be routine and will be adopted by one motion. There will be no separate discussion of these items unless a request is made by a member of the Planning Commission, staff or the public to have an item removed from the consent calendar and considered separately. If anyone in the audience wishes to speak on one of these items, please come to the podium at this time.

NONE

The following items are considered individually.

4. **PUBLIC HEARINGS**

NONE

- 5. <u>CONTINUE PLANNING COMMISSION SPRING HEARING ON GENERAL PLAN AMENDMENTS FROM JUNE 6, 2005</u>
- 6. GENERAL PLAN CONSENT CALENDAR

NONE

7. GENERAL PLAN PUBLIC HEARING CALENDAR

- a. The following staff initiated items are located on 4,987 acres located south of State Route 237, east of the Guadalupe River and generally north and west of Interstate 880, but also including land along both sides of Murphy Avenue as far east as Lundy Avenue, otherwise known as North San Jose or Rincon de Los Esteros. (City of San Jose, Applicant/multiple property owners). Council Districts 3 and 4. SNI: None. CEQA: EIR Resolution to be adopted.
 - 1. CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT (EIR) for the NORTH SAN JOSE DEVELOPMENT POLICIES UPDATE PROJECT for a General Plan Text Amendment, General Plan Land Use/Transportation Diagram Amendment, revision of the North San Jose Area Development Policy and revision to the North San Jose Deficiency Plan (File No. GPT04-04-06a, GPT04-04-06b, GP04-04-06a and GP04-04-06b) to allow intensification of development within the North San Jose Policy area. The proposed intensification would allow for the development of up to 26.7 million square feet of new industrial office/R&D space, up to 1.7 million square feet of new commercial space and up to 32,000 new residential units.

CERTIFY EIR (4-0-3; DHILLON, JAMES AND PLATTEN ABSENT)

STAFF PROVIDED A CONTEXTUAL OVERVIEW PRESENTATION OF THE PROPOSED UPDATES TO THE NORTH SAN JOSE AREA DEVELOPMENT POLICY, AND SUMMARY OF THE ENVIRONMENTAL IMPACT REPORT (EIR) PROCESS. COMMISSIONER LEVY STATED THAT PUBLIC TESTIMONY COULD BE PROVIDED FOR ALL RELATED ITEMS, INCLUDING THE EIR, BUT THAT THE PLANNING COMMISSION WOULD DELIBERATE ON THE EIR SEPARATELY, FOLLOWED BY THE PROJECT.

LIZANNE REYNOLDS, REPRESENTING THE COUNTY OF SANTA CLARA, EXPRESSED CONCERN REGARDING THE LARGE SCALE OF THE PROPOSED NORTH SAN JOSE DEVELOPMENT AND THE PROJECT'S IMPACTS, AND COMMENTED THAT THE EIR DOES NOT APPROPRIATELY RECOGNIZE IMPACTS IN JURISDICTIONS OUTSIDE THE CITY OF SAN JOSE. MS. REYNOLDS COMMENTED THAT MANY IMPROVEMENTS IDENTIFIED ARE ALREADY PLANNED FOR CONSTRUCTION AND IF THE CITY HAS ABILITY TO CHARGE IMPACT FEES TO GENERATE FUNDS, SOME OF THE REVENUE SHOULD BE USED TO PAY FOR MITIGATION AT INTERSECTIONS IN OTHER JURISDICTIONS. COMMISSIONER ZITO INQUIRED ABOUT OTHER PROJECTS THAT HAVE MITIGATED OUTSIDE CITY IMPACTS, AND MS. REYNOLDS RESPONDED THAT THE CITY OF SUNNYVALE HAD IMPOSED A FEE. AND THAT YOLO COUNTY AND THE CITY OF DAVIS HAVE A COOPERATIVE AGREEMENT. COMMISSIONER LEVY CLARIFIED WITH MS. REYNOLDS THAT THE MITIGATION MEASURES HAVE BEEN IDENTIFIED IN THE EIR, AND THAT THE COUNTY OF SANTA CLARA IS CONCERNED THAT THE CITY ASSIST WITH FUNDING THE IMPROVEMENTS. COMMISSIONER ZITO RECALLED THAT PRIOR COOPERATIVE AGREEMENTS WITH OTHER JURISDICTIONS HAVE BEEN ELEMENTS OF PAST PROJECT APPROVALS.

PATRICK WHITNELL, REPRESENTING THE CITY OF MILPITAS, STATED THAT MILPITAS HAS A SIMILAR POSITION TO THAT OF SANTA CLARA COUNTY AND BELIEVES THAT A MITIGATION IMPACT FEE SHOULD BE IMPOSED TO HELP PAY FOR TRAFFIC MITIGATIONS IDENTIFIED FOR INTERSECTIONS AND ROADWAYS IN OTHER JURISDICTIONS, AND COMMENTED THAT AGREEMENTS HAD BEEN REACHED BETWEEN SAN JOSE AND MILPITAS ON THE CISCO PROJECT AND MCCARTHY BUSINESS PARK PROJECTS IN THE EARLY 1990S. MR. WHITNELL ALSO COMMENTED ON THE ISSUE OF WASTE WATER DISCHARGE, NOTING THAT STAFF FROM SAN JOSE HAD HAD PRODUCTIVE DISCUSSIONS WITH MILPITAS STAFF, BUT STILL HAD A CONCERN ABOUT POTENTIALLY RAPID BUILDOUT OF THE PROJECT DEVELOPMENT WITH THE REOCCUPANCY OF EMPTY BUILDINGS. HE EXPLAINED THAT THE CITY OF MILPITAS WOULD LIKE TO SEE AN EVALUATION TO ASSESS NEED FOR EXPANSION OF THE WATER POLLUTION CONTROL PLANT WITHIN 5 YEARS TO AVOID DELAY IF EXPANSION IS WARRANTED.

JOHN BRUNO, SPEAKING ON BEHALF OF CADENCE, ENTHUSIASTICALLY ENDORSED THE PROPOSED POLICY UPDATE AND COMMENDED PLANNING AND REDEVELOPMENT AGENCY STAFF, INDICATING HIS COMPANY HAS 10 ANTIQUATED BUILDINGS WHICH ARE AN INEFFICIENT WAY TO RUN THE BUSINESS. HE COMMENTED THAT OCCUPANCY EXPENSES ARE THE SECOND HIGHEST INDUSTRY COSTS, AFTER SALARIES, AND THAT PROVIDING FOR INCREASED FLOOR AREA RATIOS IN NORTH SAN JOSE WOULD ALLOW NEW DEVELOPMENT WITH INCREASED EFFICIENCES. HE FURTHER COMMENTED THAT CADENCE EMPLOYEES HAVE BECOME INCREASINGLY CONCERNED ABOUT GAS COSTS AND FINDING HOUSING OPPORTUNITIES CLOSER TO WORK, SO THE PROPOSED POLICY WOULD HELP ADDRESS THESE CONCERNS OVER TIME. COMMISSIONER ZITO ASKED MR. BRUNO HIS OPINION REGARDING THE POLICY'S PROPOSED DEVELOPER FEE CONTRIBUTION, AND HE INDICATED THAT THE MITIGATION MUST BE ACCOMPLISHED AND IS A COST OF DOING BUSINESS. AND THAT THE BENEFITS OUTWEIGH THE \$10+ PER SOUARE FOOT COSTS, OR \$6,000 PER "DOOR" FOR RESIDENTIAL, AND THAT HIS COMPANY CANNOT CURRENTLY JUSTIFY BUILDING AT JUST 0.35 FAR ON THE COMPANY'S FALLOW LAND.

BOB GROSS, AN ALVISO RESIDENT, SPOKE REGARDING HIS CONCERNS REGARDING WATER USAGE IN SAN JOSE, COMMENTING THAT MORE DUAL PLUMBING FOR NEW BUILDINGS WOULD BE APPROPRIATE, AS IS DONE IN SOUTHERN CALIFORNIA, AND RAISED THE POSSIBILITY OF SUBSIDENCE IF TOO MANY NEW WELLS COME ON LINE. HE FURTHER COMMENTED THE CITY SHOULD BE CAREFUL NOT TO ADD ADDITIONAL RUN-OFF INTO THE COYOTE OR GUADALUPE RIVERS, AND THAT THE EVOLUTION OF DEVELOPMENT IN NORTH SAN JOSE SHOULD NOT BE "FAST TRACKED".

DICK SANTOS, AN ALVISO RESIDENT, COMMENTED THAT THE PROPOSED NSJ DEVELOPMENT WAS MOVING TOO FAST AND IS NOT A SMART GROWTH PLAN, THAT THE ALVISO PLAN TOOK 6 YEARS TO DEVELOP, AND THAT THIS PLAN WILL HAVE IMPLICATIONS FOR SERVICES IN ALVISO, SUCH AS SCHOOLS AND THE LIBRARY, WHICH MAY BE STRETCHED TO SERVE NEW NSJ RESIDENTS.

DAVID MILLER, OF THE VTA STAFF, COMMENTED THAT HE HAD WORKED WITH STAFF TO SUBMIT TECHNICAL COMMENTS ON THE EIR AND SUPPORTED THE POLICY'S CONCEPT OF HIGHER DENSITY TO SUPPORT THE LIGHT RAIL, AND THAT HE WAS SPECIFICALLY SPEAKING TO REQUEST THAT THE VTA PROPERTY AT 3331 NORTH FIRST STREET BE DESIGNATED TO ALLOW FOR FUTURE RESIDENTIAL USE AS IT IS CLOSE TO A LIGHT RAIL STATION, AND STUDIES PERFORMED SHOW A FUTURE RESIDENTIAL DEVELOPMENT WOULD HAVE LESS FLOOD BLOCKAGE ISSUES.

JAMES KING, OF SONY ELECTRONICS, STATED HIS BUSINESS EXPECTS TO CONTINUE IN SAN JOSE FOR A LONG TIME, THAT THE COMPANY HAS BEEN WATCHING THE PROGRESS ON THIS POLICY UPDATE FOR 18 MONTHS, AND BELIEVES THAT IT IS A CLASSIC "SMART GROWTH" PLAN. HE INDICATED THAT SONY MONITORS GROWTH ACROSS THE COUNTRY IN AREAS WHERE THEY MIGHT WANT TO LOCATE, AND THE NSJ HOUSING WHICH WILL BE HIGH DENSITY AND CLOSE TO TRANSIT AND HIGH TECH JOBS WILL BE HIGHLY SUITABLE. COMMISSIONER LEVY INQUIRED WHETHER THERE WOULD BE A PROBLEM WITH THE IMPACT FEES, AND MR. KING INDICATED THAT HE HAD REVIEWED THE FEES AND APPRECIATED THAT MITIGATION MUST BE PAID FOR.

MIKE FLAUGHER, AN AREA RESIDENT, SUPPORTED COMMENTS MADE EARLIER ABOUT POTENTIAL ALVISO IMPACTS, AND EXPRESSED PARTICULAR CONCERN ABOUT THE SOUTHERN END OF THE CORRIDOR NEAR US 101. HE SUGGESTED THAT IMPROVEMENTS TO 5 AREA INTERSECTIONS (LUNDY/BERRYESSA, ZANKER/BROKAW, ZANKER/CHARCOT, TAYLOR/101 AND ZANKER/SKYPORT) BE MOVED TO EARLIER PHASES IN THE NSJ POLICY SCHEDULE.

KERRI HAMILTON, ANOTHER AREA RESIDENT, INDICATED GENERAL SUPPORT FOR BUSINESS GROWTH TO RECOVER THE ECONOMY, URGED PROACTIVE USE OF RECYCLED WATER FOR INDUSTRIAL BUILDINGS AND LOW-WATER LANDSCAPING, AND INQUIRED WHETHER THERE WOULD BE ROOM IN THE NSJ MIXED-USE AREAS FOR A STAND ALONE GROCERY STORE WHICH THE RESIDENTS NEED NOW, AND THAT 100,000 SQ FT OF COMMERCIAL SPACE PER PHASE SEEMS SMALL. LORETTA CHANG, ALSO A BERRYESSA RESIDENT, COMMENTED THE CITY'S FINANCES ARE IN BAD SHAPE AND THE GENERAL FUND CAN BE HELD LIABLE FOR THE RDA OBLIGATIONS, AND THAT SCHOOLS AND PARKS WILL BE IMPACTED BY THE PROPOSED DEVELOPMENT.

GREG PONCETTA, A STAKEHOLDER IN THE NSJ POLICY PROCESS, COMMENTED THE POLICY UPDATES MAKE A LOT OF SENSE AS SAN JOSE IS AN URBAN CENTER AND NEEDS TO SUPPORT DENSE DEVELOPMENT NEAR THE INDUSTRIAL, AND COMMENDED THE STAFF WORK.

LOURDES RIVERA-MURPHY, AN ALVISO RESIDENT, EXPRESSED OPPOSITION TO THE PROPOSED POLICY UPDATE, COMMENTING ABOUT PAST CHANGES IN THE

NORTH FIRST STREET CORRIDOR SINCE THE ORIGINAL ORCHARDS, AND URGING THAT THERE BE ADDITIONAL STUDY OF POSSIBLE FLOODING ISSUES FOR BOTH THE GUADALUPE RIVER AND COYOTE CREEK IF THERE WILL BE INCREASED RUN-OFF FROM NEW HOUSING PROJECTS.

THE PLANNING COMMISSION THEN CLOSED THE PUBLIC HEARING, AND CHAIR LEVY HIGHLIGHTED THE ISSUES OF FLOODING, SERVICES, ADEQUACY OF MITIGATION MEASURES, WATER IMPACTS TO THE COYOTE AND GUADALUPE, AND SEWAGE TREATMENT PLANT IMPACTS AS NEEDING CLARIFICATION BY STAFF.

COMMISSIONER CAMPOS FIRST ASKED THE CITY ATTORNEY FOR CLARIFICATION OF THE EIR ADEQUACY RELATED TO IMPACTS ON INTERSECTIONS OUTSIDE THE CITY'S JURISDICTION. THE CITY ATTORNEY CLARIFIED THAT THE COMMISSION DETERMINES WHETHER THE EIR HAS ADEQUATELY ADDRESSED AND DISCLOSED IMPACTS, AND THAT NOTHING IN THE EIR PRECLUDES THE CITY FROM PURSUING COOPERATIVE AGREEMENTS WITH OTHER CITIES TO FUND IMPROVEMENTS, BUT THAT SINCE THE CITY DOES NOT CONTROL THESE INTERSECTIONS, IT IS NOT POSSIBLE TO BE CERTAIN THE IMPROVEMENTS WILL HAPPEN WHICH THEREFORE WOULD NOT CONSTITUTE ADEQUATE MITIGATION.

COMMISSIONER LEVY COMMENTED THAT HE UNDERSTOOD THERE WERE TWO PARTS TO THE ISSUE. ONE THAT THE EIR DISCLOSE THE IMPACT AND THE MITIGATION. AND TWO WHETHER THE MITIGATION IS FEASIBLE. THE ATTORNEY CLARIFIED THAT THE EIR HAS DISCLOSED WHAT IS KNOWN AT THIS POINT, AND WHAT COULD BE DONE TO MITIGATE AND THAT CEQA RECOGNIZES THAT LACK OF CONTROLLING THE INTERSECTION MAKES THE IMPROVEMENT POTENTIALLY INFEASIBLE. SHE NOTED SHE WAS PROVIDING A LEGAL OPINION ON JUST THIS ONE POINT, AND THAT IT IS UP TO THE COMMISSION TO DETERMINE IF THE DOCUMENT IS ADEQUATE. COMMISSIONER ZITO ALSO COMMENTED ON THE TWO STEPS. NOTING THAT THE EIR IDENTIFIES THE IMPACTS, AND POTENTIAL MITIGATION SUCH AS "IT'S POSSIBLE TO MITIGATE THIS IMPACT IF. . . "COUNSEL ASKED STAFF IF THE EIR HAD IDENTIFIED ALL IMPACTS AND MITIGATIONS, AND STAFF CONCURRED, NOTING THAT THE SAME LEVEL OF ANALYSIS HAD BEEN APPLIED TO INTERSECTIONS INSIDE SAN JOSE AND IN OTHER JURISDICTIONS, AND THAT FREEWAY SEGMENT IMPROVEMENTS ARE IDENTIFIED AS INFEASIBLE FOR A SINGLE PROJECT AS THEY COST UP TO \$1 BILLION. STAFF FURTHER COMMENTED THAT THE CITY WOULD NOT IDENTIFY AS FEASIBLE MITIGATION WHICH WOULD BE CONTROLLED BY ANOTHER JURISDICTION AS IT WOULD BE FALSE FOR THE DOCUMENT TO ASSUME THAT.

HANS LARSEN OF THE DEPARTMENT OF TRANSPORTATION (DOT) STAFF
COMMENTED THAT THE POLICY UPDATE WOULD BE CONSISTENT WITH SMART
GROWTH STRATEGIES WITH 30% REGIONAL GROWTH AND ONLY 6% CAPACITY
IN TRANSPORTATION SYSTEM, THAT WHILE COUNTYWIDE TRAFFIC PATTERNS
ARE 93% AUTO AND 7% OTHER, THIS AREA WILL BE ONLY 75% AUTO MODE,
AND THAT WHILE THIS IS A LARGE DEVELOPMENT WITH IMPACTS, \$516

MILLION IS BEING COMMITTED TO BUILD AN ENHANCED SYSTEM. HE CONTINUED. NOTING THAT MANY INTERSECTIONS IN SAN JOSE ARE ALREADY LOS E AND F, AND THE EIR IS PRIMARILY LOOKING AT THE ADDITIONAL IMPACT ON THOSE ABOVE 1 %. HE FURTHER EXPLAINED THAT WHILE THE EIR IDENTIFIES IMPACTS TO 38 INTERSECTIONS OUTSIDE OF SAN JOSE, THIS IS LARGELY EXPLAINED BY WORSE CASE ASSUMPTIONS THAT HOUSING FOR FUTURE NSJ WORKERS WILL BE ACCOMMODATED IN OTHER CITIES WHICH RESULTS IN NSJ MODELED TRIPS WITH ONE END IN THESE OTHER CITIES. HE CONTINUED THAT SANTA CLARA COUNTY AND THE VTA HAVE A 2030 MASTER PLAN FOR THE FUTURE SYSTEM WITH \$ 1 BILLION OF IMPROVEMENTS IDENTIFIED, AND THAT ALL JURISDICTIONS IN THE COUNTY WILL BE JOINTLY LOBBYING FOR FUNDS FOR THESE IMPROVEMENTS, WHICH INCORPORATE SOME OF THOSE PROPOSED BY THE POLICY UPDATE. IN COMMENTING ON AN EARLIER SUGGESTION TO MOVE CONSTRUCTION OF SOME IMPROVEMENTS TO EARLIER PHASES. HE COMMENTED THAT WHILE STAFF WOULD LIKE TO SEE IMPROVEMENTS COME ON LINE EARLY, THAT THE FUNDING STREAM FROM THE FUTURE FEE WILL REQUIRE A SORT OF NATURAL PHASING, UNLESS OTHER FUNDING CAN BE SECURED.

AKONI DANIELSEN, PLANNING DEPARTMENT ENVIRONMENTAL STAFF, RESPONDED AGAIN THAT ONLY MITIGATION MEASURES THAT THE CITY OF SAN JOSE CAN REASONABLY ASSURE ARE CONSIDERED FEASIBLE IN THE EIR, AND THAT WHILE THE CITY COUNCIL CHOSE TO ALLOCATE FUNDS TO PORTIONS OF TRANSPORTATION IMPROVEMENTS, IT WOULD NOT MITIGATE THE IMPACTS. COMMISSIONER ZITO CLARIFIED THAT IN CERTIFICATION OF AN EIR, THE COMMISSION WOULD BE GOING AFTER COMPLETENESS THAT THE IMPACTS AND THE POSSIBLE MITIGATIONS ARE ALL IDENTIFIED.

ENVIRONMENTAL STAFF CLARIFIED THE INFORMATION PROVIDED ABOUT THE CAPACITY OF THE WATER POLLUTION CONTROL PLANT (WPCP), NOTING FIRST THAT THE PLANT CAN HANDLE 167 MILLION GALLONS PER DAY, AND IS CURRENTLY OPERATING AT 117 MILLION. WITH 100 MILLION GALLONS OF WATER PER DAY DISCHARGED INTO THE BAY, WITH A DISCHARGE CAP OF 120 MILLION. STAFF NOTED THAT THE PROJECT BUILDOUT, WHICH WILL OCCUR OVER 25 YEARS, WOULD ADD 5 MILLION GALLONS TO THE FLOW, OR 4.2 %. HE NOTED THAT THE EIR CUMULATIVE CONDITION HAD INCLUDED NORTH SAN JOSE, DOWNTOWN, EVERGREEN AND COYOTE, AND WAS LIKELY WORST CASE. STAFF ALSO COMMENTED THAT THE STATE REQUIRES AN ASSESSMENT/FEASIBILITY STUDY WHEN THE USAGE OF THE PLANT REACHES 85% OF CAPACITY, WHICH WOULD BE 142 MILLION GALLONS, AND THAT WPCP HAD NO PLANS TO DO THAT STUDY EARLIER, ALTHOUGH IN THE NEXT GENERAL PLAN UPDATE THIS ISSUE COULD BE ADDRESSED. COMMISSIONER ZITO NOTED THAT EVEN THE CUMULATIVE SCENARIO IS NOT REACHING THE 85% LEVEL. TO WHICH STAFF CONCURRED. AND FURTHER COMMENTED THAT THE EIR DOES NOT TAKE CREDIT FOR THE ULTIMATE REDEVELOPMENT OF MORE WATER-USING INDUSTRIAL BUILDINGS WITH MID-RISE OFFICE BUILDINGS.

AKONI DANIELSEN THEN STATED THAT THE CITY COUNCIL, ACTING AS THE GOVERNING BOARD OF MUNI WATER. HAD ACTED TO ADOPT THE WATER SUPPLY ASSESSMENT, EXPLAINING THAT NORTH SAN JOSE IS SERVED BY TWO RETAILERS, MUNI AND SAN JOSE WATER. HE FURTHER COMMENTED THE CITY HAD WORKED VERY CLOSELY WITH THE SANTA CLARA VALLEY WATER DISTRICT TO COORDINATE THE REVIEW OF THE ASSESSMENTS AND ENSURE THEY ALIGNED WITH THE WATER DISTRICT'S LONG RANGE PLAN WHICH USES THE SAME PROJECTIONS. HE COMMENTED THAT MUNI WATER HAD RECENTLY RENEGOTIATED THE CONTRACT TO PURCHASE WATER FROM HETCH HETCHY. HE THEN COMMENTED ON THE EIR DISCUSSION RELATIVE TO FLOODING, NOTING THAT THE PROJECT DID NOT INCLUDE ADDITIONAL CAPACITY AT THE AREA PUMPING STATIONS, AND ALSO NO NEW PEAK FLOW, SO THAT THE DEVELOPMENT UNDER THE PROJECT WOULD BE REQUIRED TO HOLD FLOWS TO RELEASE AFTER THE PEAK EVENT AND THE CITY WOULD BE REVIEWING WAYS TO ENHANCE STORM WATER DETENTION. COMMISSIONER LEVY EXPRESSED CONCERN THAT ALVISO COULD RECEIVE FLOODING FROM THE RIVERS AND FROM TIDAL FLOWS AND THE ENVIRONMENTAL CONSULTANT CONFIRMED THIS ISSUE IS COVERED IN THE EIR.

COMMISSIONER LEVY FOCUSED ON OTHER QUESTIONS THAT HAD BEEN RAISED EARLIER REGARDING SCHOOL AVAILABILITY, EXPRESSING CONCERN THAT THE EIR DID NOT CONSIDER THE SCHOOL IMPACTS TO BE SIGNIFICANT. STAFF CLARIFIED THAT THE EIR WOULD NEED TO DISCLOSE ONLY THE PHYSICAL IMPACTS OF THE CONSTRUCTION OF FUTURE SCHOOLS, AND THAT THE SCHOOL DISTRICTS WOULD HAVE 25 YEARS OVER THE BUILDOUT OF THE PROJECT TO PLAN. PLANNING DIRECTOR HAASE EXPLAINED THAT SCHOOL DISTRICTS HAVE THE ABILITY TO CHARGE FEES AND THAT THE CITY WILL WORK ON MIXED-USE SITES TO HELP LOCATE SCHOOLS.

COMMISSIONER LEVY COMMENTED THAT GIVEN THE NUMBER OF NEW RESIDENTS ANTICIPATED IN NSJ, THAT 70+ ACRES OF PARK SHOULD BE REOUIRED. BUT AREAS IDENTIFIED FOR POSSIBLE PARKS WOULD NOT RESULT IN THAT AMOUNT. DIRECTOR HAASE INDICATED THAT THE FUTURE DEVELOPMENT IN NSJ WOULD BE FULLY CONSISTENT WITH THE PDO ORDINANCE, AND THAT THIS PROPOSAL HAS IDENTIFIED "FLOATING PARK" DESIGNATIONS FOR EACH OF THE RESIDENTIAL AREAS PROPOSED AND THAT THE POLICY UPDATE HAS SPECIAL CRITERIA RELATED TO PARK TIMING AND LOCATION, AND THAT STAFF SHARES THE FRUSTRATION OVER GETTING SUFFICIENT PARKLAND WITH INFILL DEVELOPMENTS. HE ADDED THAT FOR THIS NSJ AREA, OTHER MONIES WERE ALSO TARGETED TO RECREATIONAL USES IN ADDITION TO FUTURE PDO MONIES, IN THAT TRAIL IMPROVEMENTS AND CONNECTIONS WERE IDENTIFIED TO BE FUNDED IN THE \$516 MILLION OF TRANSPORTATION IMPROVEMENTS. STAFF ADDED THAT THE SIZES OF THE NEW RESIDENTIAL AREAS HAVE BEEN REVIEWED AND THAT ALL BUT ONE CAN ACCOMMODATE A 5 ACRE PARK, AND SOME MAYBE LARGER.

COMMISSIONER ZITO THANKED STAFF FOR CLARIFYING THE ISSUES, AND FOR THE THOROUGHNESS OF THE DOCUMENT, AND COMMISSIONER CAMPOS ALSO COMMENDED STAFF ON A GREAT JOB AND INDICATED HE HAD NO DOUBTS

THAT THE EIR CONTAINED FULL DISCLOSURE. THE COMMISSION THEN CERTIFIED THE EIR.

2. PROPOSED UPDATE TO THE NORTH SAN JOSE AREA DEVELOPMENT POLICY including numerous changes to the existing traffic level of service policy (Area Development Policy) for North San Jose. CEQA: EIR Resolution to be adopted.

RECOMMEND APPROVAL (4-0-3; DHILLON, JAMES AND PLATTEN ABSENT)

COMMISSIONER LEVY THANKED MEMBERS OF THE PUBLIC FOR THEIR TIME AS THE COMMISSION BEGAN DELIBERATION ON THE PROPOSED POLICY UPDATE. STAFF PROVIDED A SUMMARY OF PUBLIC OUTREACH ON THE PROJECT, INCLUDING 40 PUBLIC MEETINGS, 18,000 NOTICES AND EMAIL DISTRIBUTIONS, EXTENSIVE MEETINGS AND CONVERSATIONS WITH PROPERTY OWNERS.

IN RESPONSE TO THE EARLIER REQUEST BY VTA STAFF TO HAVE THE VTA SITE INCLUDED IN THE POLICY AREA FOR RESIDENTIAL, STAFF COMMENTED THAT ALTHOUGH IT SEEMED LIKELY THE SITE COULD WORK FOR RESIDENTIAL, STAFF WOULD NEED MORE STUDY REGARDING THE FLOODING POTENTIAL ON THE SITE. IN RESPONSE TO THE QUERY REGARDING A GROCERY STORE, STAFF RESPONDED THAT THE AMOUNT OF COMMERCIAL SQUARE FOOTAGE PROVIDED UNDER THE POLICY HAD INCREASED, AND THAT A GROCERY STORE COULD BE INCORPORATED INTO THE MIXED-USE AREA, OR POSSIBLY ON THE COMMERCIAL CORNER OF THE UNDEVELOPED MOITOZO PARCEL.

COMMISSIONER ZITO ASKED WHETHER THIS PROPOSED PROJECT WOULD LIKELY HELP EASE PLANS TO CONVERT OTHER INDUSTRIAL TO HOUSING, AND PAUL KRUTKO OF THE OFFICE OF ECONOMIC DEVELOPMENT INDICATED THAT THIS STRATEGY HAS CAREFULLY PUT HIGHER DENSITY HOUSING INTO AN AREA WITH POTENTIAL FOR REAL JOB GROWTH, AND THAT THE POLICY LOOKS TO CHANGE THE PARADIGM TO BETTER UTILIZE THE CITY'S URBAN LAND, AND THAT THE HITACHI PROJECT COULD BE VIEWED AS A MICROCOSM FOR THE FUTURE DIRECTION OF NSJ. COMMISSIONER ZITO COMMENTED THAT THIS PROJECT SHOULD INTERNALIZE AS MUCH TRAFFIC AS POSSIBLE IN NSJ, AND SHOULD CONSIDER SPLITTING OTHER BIG SITES THAT WANT TO CONVERT TO DO A COMBINATION. HE FURTHER COMMENTED THAT THE CITY SEEMED TO BE TAKING AN UNFAIR SHARE OF THE BURDEN OF HOUSING, TO WHICH STAFF RESPONDED THAT THE 83,000 JOBS, AND 63,000 RESIDENTS ANTICIPATED AS A RESULT OF THE POLICY UPDATE TRANSLATED INTO ENOUGH AREA HOUSING FOR JUST 68% OF THE EMPLOYEES, WHICH WOULD HELP THE JOBS/HOUSING BALANCE.

COMMISSIONER ZITO THEN EXPRESSED CONCERN ABOUT GREEN BUILDING STRATEGIES, NOTING THAT NORTH SAN JOSE IS SECOND IN SIZE ONLY TO COYOTE, AND THAT AS SAN JOSE IS THE CAPITAL OF SILICON VALLEY, IT SHOULD BE THE LEADER IN ENVIRONMENTAL BUILDING PRACTICES. STAFF RESPONDED THAT LANGUAGE IN THE PROPOSED POLICY INDICATES FUTURE INDUSTRIAL BUILDINGS SHOULD BE A SHOWCASE OF DESIGN.

COMMISSIONER LEVY SUGGESTED "BEEFING UP" THE SECTION ON LONG TERM VIABILITY AND SUSTAINABILITY, AND COMMISSIONER HAASE RESPONDED THAT MANY STRATEGIES ARE IMPLEMENTED THROUGH OTHER EXISTING ORDINANCES AND GUIDELINES THAT SHOULDN'T BE RECREATED HERE, AND THAT WHEN ACTUAL DEVELOPMENT IS PROPOSED, STAFF WILL WORK ON EACH INDIVIDUAL PROJECT. COMMISSIONER ZITO LASTLY COMMENTED THAT HE WOULD RECOMMEND THAT THIS AREA TRY TO ATTAIN 100% UNDER THE PDO, WITH DIRECTOR HAASE RESPONDING THAT POLICY MATTER COULD BE REFERRED TO THE COUNCIL.

COMMISSIONER LEVY STATED THAT OVERALL, IT WAS AN EXCELLENT PLAN FOR AN AREA ACTUALLY LARGER THAN COYOTE VALLEY, AND WAS CONCERNED THAT THE POLICY UPDATE DOES NOT HAVE AS MUCH DEPTH AS THE PLAN BEING PREPARED FOR COYOTE VALLEY. DIRECTOR HAASE INDICATED THAT THE EXECUTION OF THE PLAN WILL BE IN THE MARKETPLACE, AND THAT WITH OVER 1000 ACRES OF INDUSTRIAL LAND CONSIDERED POSSIBLE FOR CONVERSION, STAFF IS CONCERNED THAT TO DELAY WILL MEAN THIS MORE "SMART GROWTH" OPTION MAY BE LOST. ECONOMIC DEVELOPMENT DIRECTOR KRUTKO COMMENTED THAT IN THE COUNCIL'S UNPRECEDENTED ECONOMIC POLICY ADOPTED LAST YEAR THAT A KEY STRATEGY WAS TO REVISE KEY LAND USE AREAS TO RESPOND TO PRESSURES, AND SUPPORT START-UP COMPANIES AND THE GROWTH OF LOCAL BUSINESSES AND THAT THE CITY WANTS TO KEEP USER COMPANIES LIKE EBAY AND BEA. NOTING IT IS A WORLDWIDE COMPETITION. COMMISSIONER LEVY ASKED HOW MUCH MORE TIME IT WOULD TAKE TO GET INTO MORE DETAIL IN NSJ WITH DIRECTOR HAASE COMMENTING THE CITY SHOULD MOVE FORWARD, AND AFTER SOME DEVELOPMENT HAS BEGUN, COME FORWARD WITH ANY APPROPRIATE ADJUSTMENTS TO THE PLAN, AND THAT THE CITY NEEDS TO SEE WHAT ELEMENTS OF THE PLAN THE MARKET WILL SUPPORT. THE CITY ATTORNEY COMMENTED THAT IT WAS NOT POSSIBLE TO IDENTIFY EXACT PARK SITES UNLESS MONEY WAS AVAILABLE FOR THE CITY TO PURCHASE THE SITES. AND SO THE FLOATING PARK DESIGNATION WAS USED.

COMMISSIONER ZITO NOTED THAT THE HOUSING WILL BE IMPLEMENTED WITH A REZONING PROCESS AND THAT THE COMMISSION WILL SEE THESE RESIDENTIAL PROJECTS AND PARK SITES FOR REVIEW, AND THAT THE CITY SHOULD MOVE FORWARD, ESPECIALLY GIVEN A GENERAL PLAN UPDATE BEING UNLIKELY UNTIL 2009, FIVE YEARS OUT. HE QUERIED IF THE FACT THAT 20 % OF THE HOUSING WOULD BE AFFORDABLE WOULD MEAN THEY WERE EXEMPT FROM THE PDO, AND A LOSS OF FEES FOR PARKS. JOHN WEISS OF THE REDEVELOPMENT AGENCY (RDA), NOTED HE HAD BEEN EAGERLY WAITING FOR THIS OPPORTUNITY TO ADDRESS THE COMMISSION, EXPLAINED THAT THE RDA HAS REIMBURSED DEVELOPERS FOR PARK FEES FOR THEIR LOW AND VERY LOW INCOME HOUSING FOR THE PAST 8 YEARS, OR APPROXIMATELY \$22 MILLION. COMMISSIONER ZITO ASKED IF WITH THE INTENSIFICATION OF NSJ, WOULD THERE BE A DUALITY OF "CORES", AND ANY COMPETITION, AND WILL NORTH SAN JOSE RESIDENTS WANT TO COME DOWNTOWN. RDA STAFF STATED THAT STAFF FEEL THE TWO AREAS ARE

COMPATIBLE, AND THAT DOWNTOWN IS THE CULTURAL CENTER OF SAN JOSE AND THE CITY WOULD NOT BE DUPLICATING THE SJ REP, OR THE ARENA IN NSJ, AND THAT WHILE 12-15 STORY BUILDINGS WERE HAPPENING IN DOWNTOWN, IT WAS MORE LIKELY THAT NSJ WOULD HAVE 3-4 STORY BUILDINGS, WITH DOWNTOWN FARS ABOUT 7-8, AND PROJECTED NSJ FAR AT 1.2, WHICH WILL LOOK MORE LIKE THE SKYPORT AREA.

COMMISSIONER LEVY COMMENTED THAT PERHAPS, GIVEN THE INTENSITY OF PROPOSED DEVELOPMENT, THE POLICY SHOULD DIRECT MORE PARKLAND NEAR THE NEW CORE, AND STAFF SHOULD THINK OUTSIDE THE BOX FOR IDEAS LIKE ROOFTOP POOLS AND TENNIS COURTS, AND ASKED HOW THE TIMING OF PARKS AND SCHOOLS WOULD BE ASSURED. DIRECTOR HAASE INDICATED THAT PARKLAND WOULD BE DRIVEN BY THE PDO AS RESIDENTIAL DEVELOPMENT OCCURS, AND THAT OTHER SERVICES MIGHT NOT OCCUR IN A LINEAR FASHION, LIKE POLICE AND FIRE STATIONS. JOHN WEISS COMMENTED THAT THE IRVINE PROJECT WITH 2000+ UNITS HAD ONLY 14 SCHOOL-AGED CHILDREN IN RESIDENCE, SO IT COULD BE PREMATURE TO DEVELOP A SCHOOL WITH THE FIRST PHASES OF DEVELOPMENT.

COMMISSIONER ZITO MOVED THAT THE COMMISSION RECOMMEND APPROVAL OF THE NSJ POLICY UPDATE AND RELATED ITEMS WITH THREE ADDITIONAL RECOMMENDATIONS TO COUNCIL THAT THE COUNCIL: 1) REVIEW THE PDO FEES AND CONSIDER THE POSSIBILITY OF 100% PARK COMMITMENT IN THIS AREA. 2) PROVIDE STRONGER RECOMMENDATIONS FOR GREEN BUILDINGS AND SUSTAINABILITY, AND 3) PROVIDE DIRECTION FOR CREATIVE METHODS TO MEET PARKLAND REQUIREMENT. COMMISSIONER CAMPOS SUPPORTED THE MOTION, STATING THE CITY IS COMPETING GLOBALLY AND SHOULD NOT OVERANALYZE OR OVER THINK AND LOSE SOME INDUSTRIAL COMPANIES OVERSEAS. BUT SHOULD TAKE A BOLD LEADERSHIP POSITION. COMMISSION LEVY COMMENTED THAT IT HAD BEEN A PRODUCTIVE WEEK WITH THE CITYWIDE LOS POLICY, THE DOWNTOWN AND NOW NORTH SAN JOSE. AND THAT STAFF AND THE COMMISSION ARE DOING WHAT CAN BE DONE. COMMISSIONER ZITO COMMENDED STAFF AND COMMENTED ON THE TALENT IN THE CITY AND THE PATIENCE OF THE STAFF TO USE AVAILABLE RESOURCES TO GET THINGS DONE, AND COMMENTED THAT PERHAPS AN UPDATE TO THE GENERAL PLAN COULD BE ACCOMPLISHED IN LESS THAN 5 YEARS.

THE COMMISSION THEN VOTED 4-0-3, COMMISSIONERS DHILLON, JAMES AND PLATTEN ABSENT, TO RECOMMEND APPROVAL OF THE NORTH SAN JOSE POLICY UPDATE.

3. GPT04-04-06a. GENERAL PLAN TEXT AMENDMENT request to update the North San Jose Area Development Policy text and Golden Triangle Area Policy text to incorporate the Update to the North San Jose Area Development Policy, establishment of two new land use designations [Industrial Core and Transit/Employment Residential District Overlay (55+ DU/AC)] and proposed changes to maximum allowed building height limits. CEQA: EIR Resolution to be adopted.

RECOMMEND APPROVAL (4-0-3; DHILLON, JAMES AND PLATTEN ABSENT)

4. <u>GPT04-04-06b</u>. GENERAL PLAN TEXT AMENDMENT request to modify the description of an arterial roadway within Appendix E. CEQA: EIR Resolution to be adopted.

RECOMMEND APPROVAL (4-0-3; DHILLON, JAMES AND PLATTEN ABSENT)

5. GP04-04-06a. GENERAL PLAN AMENDMENT to change the Land Use/Transportation Diagram designation from Industrial Park to Industrial Core Area on an approximately 600-acre area and to add the Transit/Employment Residential District (55+ Dwelling Units per Acre) and multiple Floating Park overlay designations to approximately 335 acres. CEQA: EIR Resolution to be adopted.

RECOMMEND APPROVAL (4-0-3; DHILLON, JAMES AND PLATTEN ABSENT)

6. <u>GP04-04-06b</u>. **GENERAL PLAN AMENDMENT** to change the designation of one arterial and two junctions on the General Plan Land Use/Transportation Diagram. CEQA: EIR Resolution to be adopted.

RECOMMEND APPROVAL (4-0-3; DHILLON, JAMES AND PLATTEN ABSENT)

8. <u>APPROVAL OF PLANNING COMMISSION RECOMMENDATIONS ON THE 2005</u> <u>SPRING GENERAL PLAN AMENDMENTS FROM MAY 25, JUNE 2, JUNE 6 AND</u> JUNE 7, 2005

APPROVED (4-0-3; DHILLON, JAMES AND PLATTEN ABSENT)

9. <u>PETITIONS AND COMMUNICATIONS</u>

- a. Public comments to the Planning Commission on nonagendized items. Please fill out a speaker's card and give it to the technician. Each member of the public may address the Commission for up to three minutes. The commission cannot take any formal action without the item being properly noticed and placed on an agenda. In response to public comment, the Planning Commission is limited to the following options:
 - 1. Responding to statements made or questions posed by members of the public; or
 - 2. Requesting staff to report back on a matter at a subsequent meeting; or
 - 3. Directing staff to place the item on a future agenda.

NONE

10. REFERRALS FROM CITY COUNCIL, BOARDS, COMMISSIONS OR OTHER AGENCIES

NONE

11. GOOD AND WELFARE

a. Report from City Council

NONE

- b. Commissioners' reports from Committees:
 - Norman Y. Mineta San Jose International Airport Noise Advisory Committee (Dhillon and James).

NONE

- Coyote Valley Specific Plan (Platten)
- c. Review of synopsis

NONE

12. <u>ADJOURNMENT</u>

2005 PLANNING COMMISSION MEETING SCHEDULE

January 12	5:00 p.m 6:00 p.1	•	Room 400
Discussion of Meeting Logistics			
January 12	6:00 p.m.	Regular Meeting	Council Chambers
January 26	6:00 p.m.	Regular Meeting	Council Chambers
Monday, February 7	*	Study Session	Room 400
Discussion of Jobs/Housing Imbalance			
Monday, February 7		Regular Meeting	Council Chambers
February 23	6:00 p.m.	Regular Meeting	Council Chambers
March 9	4:45 p.m.	Study Session	Room 400
Discussion of General Plan Amendments/development projects			
March 9	6:00 p.m.	General Plan/Regular Meeting	Council Chambers
March 23	6:00 p.m.	General Plan/Regular Meeting	Council Chambers
Monday, April 11	CANCELLED	Study Session	Room 400
Discussion of Alcohol sales			
Monday, April 11	6:00 p.m.	Regular Meeting	Council Chambers
April 27	6:00 p.m.	Regular Meeting	Council Chambers
Monday, May 2	4:00 p.m.	Study Session	Room 216B
<i>3</i> , <i>3</i>	1	Review CIP	
Monday, May 2	6:00 p.m.	Regular Meeting	Council Chambers
May 11	4:00 p.m.	Study Session	Room 400
Discussion of Parks planning strategy (Joint session with Parks Commission)			
May 11	6:00 p.m.	General Plan/Regular Meeting	Council Chambers
May 25	6:00 p.m.	General Plan/Regular Meeting	Council Chambers
Thursday, June 2	5:00 p.m.	Study Session	Room 106E
Discussion of Jobs/Housing/Transportation Policy Update			
Thursday, June 2	6:00 p.m.	General Plan/Regular Meeting	Council Chambers
Monday, June 6	6:00 p.m.	General Plan/Regular Meeting	Council Chambers
Tuesday, June 7	6:30 p.m.	General Plan/Regular Meeting	Health Bldg. Rm. 202A/B
June 8	CANCELLED	Regular Meeting	Council Chambers
Wednesday, June 15	6:00 p.m.	Regular Meeting	Council Chambers
June 22	6:00 p.m.	Regular Meeting	Council Chambers
July 13	6:00 p.m.	Regular Meeting	Council Chambers
July 27	6:00 p.m.	Regular Meeting	Council Chambers
August 10	6:00 p.m.	Regular Meeting	Council Chambers
August 24	6:00 p.m.	Regular Meeting	Council Chambers
September 14	6:00 p.m.	Regular Meeting	Council Chambers
September 28	6:00 p.m.	Regular Meeting	Council Chambers
October 12	6:00 p.m.	Regular Meeting	Council Chambers
October 26	6:00 p.m.	Regular Meeting	Council Chambers
November 9	6:00 p.m.	Regular Meeting	Council Chambers
November 16	6:00 p.m.	Regular Meeting	Council Chambers
December 7	6:00 p.m.	Regular Meeting	Council Chambers